## COMMONWEALTH OF KENTUCKY

## BEFORE THE PUBLIC SERVICE COMMISSION

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## In the Matter of:

NOTICE OF SOUTH CENTRAL BELL TELEPHONE COMPANY OF AN ADJUSTMENT IN

ITS INTRASTATE RATES AND CHARGES

and

THE VOLUME USAGE MEASURED RATE
SERVICE AND MULTILINE SERVICE
TARIFF PILING OF SOUTH CENTRAL
BELL TELEPHONE COMPANY

CASE NO. 8879

## ORDER

("SCB") shall file an original and 15 copies of the following information with the Commission on or before November 127, 1983. Each copy of the data requested should be placed in a bound volume with each item tabbed. When a number of sheets is required for an item, each sheet should be appropriately indexed, for example, Item 1(a), Sheet 2 of 6. Include with each response the name of the witness who will be responsible for responding to questions relating to the information provided. Careful attention should be given to copied material to insure that it is legible. Where information requested herein has been provided along with the original application, in the format requested herein, reference may be made to the specific location of said information in responding to this information request. When

applicable, the information requested herein should be provided for total company operations and Kentucky jurisdictional operations, separately. If neither the requested information nor a motion for an extension of time is filed by the stated date, the case may be dismissed.

- Provide a breakdown of the Basic Local Exchange and Related Services and the Miscellaneous Services categories of Ms. Mezzell's revised Exhibit 1 (appearing as Attachment 1 to Staff Request No. 6, Item 8), by the individual components delineated on the Exhibit.
- 2. For each rate that the Company has proposed for change subsequent to its original filing with the Commission (as presented in its response to Staff Request No. 6, Item 8), please provide the basis for the rate change and a detailed explanation of how the rate change was derived. Provide workpapers and any other supporting material used by the Company in deriving its new set of rates.
- 3. (a) Provide a detailed <u>reconciliation</u> between the revenues presented on Ms. Mezzell's Exhibit 1, as originally filed, and Ms. Mezzell's Exhibit 1, as filed in response to Staff Request No. 6, Item 8.

Revenue categories should be broken down by level of detail requested in Item 1 of this request, for the response to this item and all items which follow.

- (b) Indicate where shifts in revenues have occurred, both <u>between</u> and <u>within</u> revenue categories, and indicate the basis for the shifts. As part of this request, compare the percentage of revenues to be provided by each service category set forth in response to Staff Request 6, Item 8, with that set forth in the Company's original filing.
- (c) Identify each and every repression, stimulation, or cost savings adjustment which has been applied to <u>each</u> revenue category. Provide detailed workpapers supporting the derivation of each such adjustment. These workpapers should include a reference to the specific demand model which was relied upon, any and all assumptions utilized, and any supporting materials relied upon in the derivation of the adjustments.

Follow-up questions to Staff Request No. 2, Item 12, Case 8838:

- Did the Company run any other iterations of regression equations in addition to those provided by the Company in response to Staff Request No. 2, Item 12, Case 8838? If so, indicate how these iterations differed from those presented by the Company in its response.
- 2. Identify, for each regression equation presented by the Company, the regression package which was utilized (e.g., Ordinary Least Squares, Cochrane-Orcutt) to estimate the equation.

- 3. Were any equations for the demand for business access in Kentucky run using a "real" or deflated price of access lines? If so, please "provide these equations along with complete econometric results.
- 4. Were any equations for the demand for residence or business MTS run separately for person-to-person, operator handled station-to-station, or DDD? If so, please provide these equations along with complete econometric results.
- 5. Identify all variables appearing on the computer printouts of results provided by the Company in response to Staff Request 2, Item 12, Case 8838. This should include identification of variables, not included in the equations chosen by the Company, e.g., LTER and LTRA appearing on page 11 of the Company's response.

Done at Frankfort, Kentucky, this 8th day of November,

PUBLIC SERVICE COMMISSION

1983.

Becretary